

**ADVANCE CAPITAL PARTNERS ASSET MANAGEMENT PRIVATE LIMITED – CESSATION AS A REGISTERED FUND MANAGEMENT COMPANY**

---

The board of directors (the “**Board**”) of Pine Capital Group Limited (the “**Company**”) and together with its subsidiaries, the “**Group**”) wishes to provide an update to its shareholders on the Company’s 51%-owned subsidiary, Advance Capital Partners Asset Management Private Limited (“**ACPAM**”).

**Background of ACPAM’s affairs**

1. To recap, ACPAM had received a direction letter from the Monetary Authority of Singapore (“**MAS**”) dated 13 May 2019 (the “**MAS Direction Letter**”).<sup>1</sup> ACPAM had written to MAS on several occasions between 6 April 2019 and 3 May 2019 providing updates regarding the resolutions passed at the Extraordinary General Meeting (“**EGM**”) of ACPAM dated 5 April 2019<sup>2</sup> and the legal proceedings arising therefrom<sup>3</sup>.
2. Under the MAS Direction Letter, MAS has *inter alia* directed that ACPAM shall suspend all fund raising activities and all subscription activities, and shall not enter into any new investments or draw down on any commitments on behalf of any fund or segregated mandate that is managed by ACPAM until such date as MAS may specify in writing upon MAS being satisfied, among other things, that ACPAM is able to satisfactorily carry out its fund management functions (the “**MAS Directive**”).
3. ACPAM has since August 2019 suspended all fund management activities consistent with the restrictions imposed by MAS on its operations pursuant to the MAS Direction Letter<sup>4</sup>. The MAS Direction Letter continues to remain in force and ACPAM continues to be in compliance of the MAS Direction Letter.
4. As announced by the Company on SGXNET on 29 February 2020, on 28 August 2019, the Board of ACPAM further wrote to MAS providing updates regarding the resolutions passed at the EGM of ACPAM on 12 August 2019, which saw the reconstitution of the Board of ACPAM to its present Board. In the same letter, the Board of ACPAM has kept MAS apprised on the various options it is considering in regards to the affairs and future of ACPAM.
5. To further recap, as at August 2019, ACPAM’s base capital had fallen below the stipulated base capital of S\$250,000.00 as required of a Registered Fund Management Company (“**RFMC**”) pursuant to Regulation 7D of Second Schedule of the Securities and Futures (Licensing and Conduct of Business) Regulation.<sup>5</sup> The Board of ACPAM had on 25 September 2019 and 11 October 2019 wrote to MAS informing MAS of ACPAM’s base capital deficiency based on the draft management accounts of ACPAM for the month of August 2019.<sup>6</sup> ACPAM continues to be in breach of the minimum base capital requirement.

---

<sup>1</sup> As announced by the Company on 28 May 2019.  
<sup>2</sup> As announced by the Company on 10 May 2019.  
<sup>3</sup> As announced by the Company on 21 May 2019.  
<sup>4</sup> As announced by the Company on 15 October 2019.  
<sup>5</sup> Ibid.  
<sup>6</sup> Ibid.

**ADVANCE CAPITAL PARTNERS ASSET MANAGEMENT PRIVATE LIMITED – CESSATION AS A REGISTERED FUND MANAGEMENT COMPANY**

---

6. MAS in their responses dated 17 October 2019 and 21 October 2019 to ACPAM's request for temporary suspension of ACPAM's RFMC license had indicated that as a RFMC, ACPAM does not hold a Capital Markets Services license, but operates under an exemption from it. Therefore while ACPAM's fund management activities are suspended, it is still subject to meeting all requirements of a RFMC, including the maintenance of the minimum base capital. MAS had on 23 October 2019 further reiterated their responses dated 17 October 2019 and 21 October 2019<sup>7</sup>.
7. As at the date of this announcement, the legal proceedings in which ACPAM is involved in, are still currently ongoing. Please refer to the announcements made by the Company on the SGXNET in relation to the ongoing legal proceedings dated 14 October 2019, 14 February 2020, 24 February 2020, 29 February 2020, 4 March 2020 and 28 May 2020 respectively.

**Notice of cessation of business as a RFMC**

8. The Board of ACPAM has after taking into a holistic consideration the current status of affairs of ACPAM, which amongst others include (i) the ongoing MAS Directive; (ii) the base capital deficiency resulting in ACPAM being unable to meet all the requirements of a RFMC; and (iii) the current ongoing legal proceedings which ACPAM is involved in, filed a Notice of Cessation of Business under paragraph 5(71)(b) of the Second Schedule to the Securities and Futures (Licensing and Conduct of Business) Regulations in Form 24A ("**Notice**") with MAS on 20 May 2020 notifying MAS of ACPAM's cessation of business in fund management with effect from 21 May 2020.
9. On 2 June 2020, ACPAM received a notification from MAS indicating that based on ACPAM's representations provided in the Notice and the accompanying submissions, ACPAM have been removed from the MAS Financial Institutions Directory with effect from 1 June 2020. Furthermore, MAS in their notification did not indicate if there are any outstanding conditions to be fulfilled by ACPAM in regards to the Notice.
10. As at the date of this announcement, ACPAM has fully discharged all customer obligations and have ensured that customer assets and/or monies of customers of ACPAM (other than those of Advance Credit Fund SPC, which as of this date, is still subject to ongoing legal proceedings) have been accounted for and have returned to the customers of ACPAM.

---

<sup>7</sup> As announced by the Company on 25 October 2019 and further clarified in the Company's announcement dated 29 February 2020.

**ADVANCE CAPITAL PARTNERS ASSET MANAGEMENT PRIVATE LIMITED – CESSATION AS A REGISTERED FUND MANAGEMENT COMPANY**

---

**Future plans of the Company**

11. The Company is engaging the SGX-ST with a view of apprising the SGX-ST of (1) the existing affairs and (2) whether future plans of the Group is sufficient for SGX-ST to lift the trading suspension of its shares. The Company will make announcements as and when appropriate to update shareholders on the future plans of the Company once it receives further information or when material developments on these matters occur.

Shareholders are urged to take note that the matters referred herein have an adverse effect on the Group's operations and prospects.

**DIRECTORS' RESPONSIBILITY STATEMENT**

The Directors accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts or circumstances about the update on the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in this announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this announcement in its proper form and context.

**BY ORDER OF THE BOARD**

Lee Sin Ann  
Executive Director

8 June 2020

---

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor ("Sponsor"), Asian Corporate Advisors Pte. Ltd., in accordance with Rules 226(2)(b) and 753(2) of the Singapore Exchange Securities Trading Limited ("Exchange") Listing Manual Section B: Rules of Catalyst for compliance with the relevant rules of the Exchange. The Company's Sponsor has not independently verified the contents of this announcement including the correctness of any of the figures used, statements or opinions made.*

*This announcement has not been examined or approved by the Exchange and the Exchange assumes no responsibility for the contents of this announcement including the correctness of any of the statements or opinions made or reports contained in this announcement.*

*The contact person for the Sponsor is Mr. Liao H. K.  
Telephone number: 6221 0271*